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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/655,929	09/06/2000	Garland Stephens	8224.003.NPUS00	8518

28694 7590 03/11/2008
NOVAK DRUCE + QUIGG LLP
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EXAMINER

NGUYEN, NGA B

ART UNIT	PAPER NUMBER
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3692

MAIL DATE	DELIVERY MODE
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03/11/2008

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 09/655,929	Applicant(s) STEPHENS ET AL.	
	Examiner NGA B. NGUYEN	Art Unit 3692	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 16 August 2007.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-24 is/are pending in the application.
- 4a) Of the above claim(s) 4-11 and 13-24 is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-3 and 12 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date <u>4/24/06; 6/15/06</u> . | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. This Office Action is in response to the Election filed on April 2, 2004, which paper has been placed of record in the file.
2. Claims 1-3 and 12 are elected for consideration.

Response to Arguments/Amendment

3. Applicant's election of Group I (claims 1-3 and 12) in the reply filed on April 2, 2004 is acknowledged. Because applicant did not distinctly and specifically point out the supposed errors in the restriction requirement, the election has been treated as an election without traverse (MPEP § 818.03(a)).

Claim Rejections - 35 USC § 102

4. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

5. Claims 1-3 and 12 are rejected under 35 U.S.C. 102(e) as being anticipated by Reiter et al (hereinafter Reiter), U.S. Patent No. 6,405,313.

Regarding to claim 1, Reiter discloses a system for determining a linear combination of structured cash flow exchanges having a net present value of

substantially zero comprising: a digital information storage medium, the medium further comprising data representing processor instructions that operate on data representing a graph and produce data representing the maximum flow for the graph (*figures 4A-4B and column 8, line 35-column 9, line 65, graphs showing maximum flow and minimum cut; figure 6 and column 10, lines 20-35, the user 620 communicates with the broker 610 by computer to obtain a name-to-key binding and obtain insurance for that binding which is suitable for his applications needs*) .

Regarding to claim 2, Reiter discloses a system for determining a linear combination of structured cash flow exchanges having a net present value of substantially zero comprising: a digital information storage medium, the medium further comprising data representing processor instructions that operate on data representing a graph and produce data representing the minimum cut of the graph (*figures 4A-4B and column 8, line 35-column 9, line 65, graphs showing maximum flow and minimum cut; figure 6 and column 10, lines 20-35, the user 620 communicates with the broker 610 by computer to obtain a name-to-key binding and obtain insurance for that binding which is suitable for his applications needs*).

Regarding to claim 3, Reiter discloses a system for determining a linear combination of transactions, comprising a digital information storage medium, the medium further comprising data representing instructions for:

- (A) adding a node representing a selected transaction to a graph;
- (B) for each node in the graph: querying a transaction repository for each matching transaction that is a partial match for the requirements of the transaction

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represented by the node; adding nodes representing each matching transaction to a graph; adding a directed arc from the node to each node representing another transaction that is a partial match for the requirements of the transaction represented by the node;

(C) repeating steps A and B until the graph contains nodes representing every transaction in the transaction repository that is a partial match for the requirements of a transaction represented by a node in the graph

(D) determining the maximum flow on the graph.

(figures 4A-4B and column 8, line 35-column 9, line 65, graphs showing maximum flow and minimum cut; figure 6 and column 10, lines 20-35, the user 620 communicates with the broker 610 by computer to obtain a name-to-key binding and obtain insurance for that binding which is suitable for his applications needs; column 13, line 35-column 14, line 10, repeating steps until minimum cut insurance amount is determined).

Regarding to claim 12, Reiter discloses a method for determining a set of offsetting structured cash flows for exchange, comprising:

establishing in one or more memories a data structure corresponding to a transaction graph for a collection of exchange definitions *(figure 6 and column 10, lines 20-35, the user 620 communicates with the broker 610 by computer to obtain a name-to-key binding and obtain insurance for that binding which is suitable for his applications needs);*

the transaction graph having edges between exchange definitions having at least partially compatible terms (*figures 4A-4B and column 8, line 35-column 9, line 65, graphs showing maximum flow and minimum cut; column 10, lines 1-18, assigning attribute and liability value*);

the at least partially compatible terms including *at least one of: an underlying, a start date, an end date, a variance (column 10, lines 1-18, e.g. liability value)* .

determining a linear combination of edges corresponding to a maximum notional amount for the graph with respect to one or more exchange definitions (*figures 4A-4B and column 8, line 35-column 9, line 65, graphs showing maximum flow and minimum cut; column 12, lines 10-38, the notional amount of insurance*).

Conclusion

6. Claims **1-3** and **12** are rejected.
7. The prior arts made of record and not relied upon are considered pertinent to applicant's disclosure:

Kalagnanam et al. (US 6,044,361) disclose a fast computer implemented method generates near-optimal solutions to the multi-objective inventory matching problem by solving for multiple objectives simultaneously and generating multiple non-dominating solutions.

Hausman et al. (US 6,086,619) disclose an apparatus and method for modeling optimization problems providing variable specification of both input and output in enhanced graph theoretic form.

Braun (US 6,341,266) discloses method and system for the maximization of the range of coverage profiles in inventory management

Curet (US 6,594,624) discloses method of identifying all minimum-cost cutsets in a network.

Hunt (US 7,039,919) discloses tools and techniques for instrumenting interfaces of units of a software program.

8. Any inquiry concerning this communication or earlier communications from the examiner should be directed to examiner Nga B. Nguyen whose telephone number is (571) 272-6796. The examiner can normally be reached on Monday-Thursday from 9:00AM-6:00PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Kambiz Abdi can be reached on (571) 272-6702.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group receptionist whose telephone number is (571) 272-3600.

9. Any response to this action should be mailed to:

Commissioner of Patents and Trademarks

P.O. Box 1450

Alexandria, VA 22313-1450

Or faxed to:

(571) 273-8300 (for formal communication intended for entry),

or

(571) 273-6796 (for informal or draft communication, please label "PROPOSED" or "DRAFT").

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Nga B. Nguyen/
Primary Examiner, Art Unit 3692

February 20, 2008